

# NCCFW CARES Act Grant Application FAQs

Updated 2.24.2020

**Please keep in mind:** There are grey areas in determining allowability and generally, **costs directly related to COVID-19 are preferred. Less directly related costs, but still considered necessary because of COVID-19, require written explanation.** Include clear Covid-19 related justification in your summary page for expenses that will be reviewed by auditors.

## Table of Contents:

- A. [Eligibility](#)
- B. [Funding Amounts](#)
  - 1. [Allocated amounts](#)
  - 2. [Unused funds](#)
- C. [Allowable Expenses](#)
  - 1. [Outreach/PR related expenses](#)
  - 2. [Payroll and Personnel expenses](#)
  - 3. [Agency related spaces and buildings expenses](#)
  - 4. [Audit expenses](#)
  - 5. [Backpay](#)
  - 6. [Vehicles](#)
  - 7. [Direct support to clients](#)
  - 8. [Fundraising and fundraising replacement](#)
  - 9. [Services Beyond Grant Period](#)
  - 10. [Administrative Costs](#)
  - 11. [Thrift Stores](#)
  - 12. [Subscriptions and Contracts](#)
  - 13. [Other \(taxes, grant match requirements, etc.\)](#)
- D. [Auditing Questions](#)
- E. [Expense Reports and Other Reports and Forms \(i.e. BTR\)](#)
- F. [Grant Application](#)
- G. [Grant Period](#)
- H. [Further Information and Assistance](#)

## A. Eligibility

### 1. *Who is eligible?*

Domestic Violence and Sexual Assault Programs currently eligible for state funding through the Department of Administration/NC Council for Women & Youth Involvement.

## B. Funding Amounts

### 1. How much funding will my agency receive?

DOMESTIC VIOLENCE CENTERS: Currently each agency will be eligible to receive \$56,603.00

SEXUAL ASSAULT Dual agencies will receive \$50,649.00\*

SEXUAL ASSAULT Stand-alone agencies will receive \$95,454.00\*

Upon approval of application, programs will receive 100% of the funding up front.

\*Funding will be distributed to SA agencies in accordance with the NCGS which identifies 65% to dual agencies and 35% to stand alone agencies.

#### a. *Are the funding amounts per county or per program?*

Funding **amounts** are per program. However, if your program serves more than one county and **currently** receives multiple state grants from NCCFW, then you are eligible to receive multiple CARES Act grants. For example, if you are a single agency that serves 4 counties and you receive state grants for each of these counties, you are eligible to apply for 4 CARES Act grants.

#### b. *Do dual agencies receive both the DV and SA money?*

Yes, they receive both if they fill out two applications.

#### c. *Can we apply for less money?*

Yes – BUT we encourage you to think creatively about ways that you could use this funding to help your clients. Contact NCCASA or NCCADV if you need help brainstorming potential uses for the funding, or browse the resources on our website.

### 2. Unused Funds

#### a. *What do we do with unused money?*

Unused money must be returned to the federal government. We encourage agencies to think creatively about how to use funds to help clients.

#### b. *What happens to excess funds if our agency does not request the full funding amount? Will it be redistributed to other agencies?*

Your agency does not have to request the full funding amount on the application submitted by 9/30/2020. You are encouraged to work with your state coalition and potential vendors to identify all possible options considering the expected upturn in demand and current needs for transforming programming to serve survivors during the

COVID-19 pandemic. Unused funds will be returned to the State and US Department of Treasury.

### C. Allowable Expenses

#### 1. Outreach/PR related expenses

##### *a. Can the funding be used for PR related expenses?*

Yes – as long as you can demonstrate that the expenses were needed due to the COVID-19 pandemic. For example, you need to fund new outreach strategies to reach survivors during the pandemic. This could include hiring consultants or paying new or current staff to perform these duties. This could also include purchasing print materials, such as billboards, to reach clients because COVID-19 has changed traditional outreach methods. This must not overlap with funds from other grants that may be allocated to PR related expenses.

##### *b. Can funds be used for contracts with vendors to promote availability of services during the pandemic such as billboards require 12 month contract? Although billboards will begin before 12.30.20, the requirement by the vendor may require for a 12 month contract which means the billboard will continue after the end of 2020. Is this considered pre-payment?*

If the 12-month contract is required, it seems reasonable that this is allowable. The auditor will need to see documentation in the contract that a minimum 12 months is required. Exceptions to the guidance such as this should be reviewed by the State including a review of the contract showing the 12-month requirement.

#### 2. Payroll, Personnel, and Teleworking expenses

##### *a. Can these funds be used for payroll expenses such as salaries, benefits, and hazard pay to staff?*

Yes – payroll costs including salaries and benefits, hazard pay and overtime costs are allowed IF your agency allows for Hazard Pay in your policies or bylaws, AND the expense is related to COVID-19. Recipients may apply the Fund to cover portions of payroll and benefits for employees corresponding time spent on COVID-19 administrative work necessary due to the COVID-19 public health emergency. Be sure that you are not supplanting these funds from other grants. Hazard pay policies must be uniform across all of your employees in your written policies. The fund CANNOT be used for payroll bonuses or Medicaid expenses.

##### *b. Can these funds be used for bonuses that are usually funded by fundraising, but due to the pandemic, we weren't able to fundraise?*

No. Because the expense is not related to direct COVID-19 related costs or impacts, bonuses are not an allowable expense.

c. *Can these funds be used for children of agency staff who are learning from home?*

No. Because the funds are not being used to support survivors of domestic violence or sexual assault, this is not an allowable expense.

d. *My payroll date for December is December 31<sup>st</sup>. Can I spend funds CARES Act funds until then?*

No, the date of December 30, 2020 is set by Session Law 2020-4. Only expenditures incurred during the period that begins on March 1, 2020, and ends on December 30, 2020, are eligible for funding from the CARES Act.

e. *Our organization contracts with an agency to employ staff members. If these are not technically our employees, but employees of the hiring agency, would we still be able to pay hazard pay?*

Yes, Employee Expenses (e.g. Payroll and benefits cost for employees that are dedicated to COVID-19) and Contracted Labor Expenses are allowed, as long as the work performed by the employees is between March 1 and Dec. 20, 2020 and is for direct services.

f. *Would our agency be able to backpay hazard pay for employees who worked during the pandemic but no longer work for the agency?*

No – hazard pay is allowed for current employees only.

g. *Can these funds be used to provide a stipend to cover a portion of staff's home internet and phone communication costs that are required for remote work during the COVID-19 pandemic?*

Yes, per the US Treasury guidance, expenses to improve telework capabilities to enable compliance with COVID-19 public health precautions are allowable.

h. *What guidance are you providing to sub-grant recipients to help calculate costs related to utilities such as internet and phone services incurred while teleworking? Can I provide a standard monthly payment to staff who have and continue to work remotely, or do these costs have to be calculated per individual?*

Internet and phone expense should be based on the individual employee's usage. If this is not feasible, a standard cost can be used.

### 3. Agency-related spaces and buildings expenses

a. *Can these funds be used for upfitting home offices, work offices, or other agency-related spaces?*

Yes – if the expenses are related to COVID-19, they are allowable. For example, these funds may be used for Zoom fees, DocuSign fees, installing no-touch appliances, purchasing equipment for staff teleworking, renovations to create 6' separation or physical barriers, telecounseling, equipment and supplies needed, etc.

b. *Are capital improvements, like roof replacement for a shelter, allowable?*

No. General maintenance costs such as roof replacements are not related to COVID-19. However, if the expense is directly related to COVID-19 and the expenditure is incurred

during the grant period, it is an allowable expense. *Note: if the audit determines it is not an allowable expense, funds will be recovered.*

c. *Are utility expenses for the agency incurred during the grant period allowable expenses?*

No – general maintenance, such as utilities, are an operating budget item and not allowable.

d. *Can I pay for services such as modifying my shelter to build a bathroom to help clients shelter in place with safety?*

Only if the work is finished and paid for by the end of the grant period (December 30<sup>th</sup>). Keep in mind the days left in the year before engaging in big projects like this. Services must be complete by December 30<sup>th</sup>.

4. Audit expenses

a. *Can these funds be allocated to auditing expenses?*

Yes, as long as you have not already accounted for auditing expenses in another grant and as long as the expenses are incurred and paid during the grant period. *For exception, see 2.o.*

b. *Can the CPA be paid prior to December 30, 2020 and the work be conducted after December 30, 2020 per the contract?*

Yes, Audit expenses are an exception allowed after Dec. 30

**\*\*COVID-19 expenditures incurred between March 1, 2020 through December 30, 2020.\***

(“Funds must be spent by December 30, 2020. \*Incurred” means that the service or item was performed or delivered. There is allowance for payment to be made after December 30, 2020, if the cost was incurred before December 30, 2020.)

\*This date was set in the Federal legislation that created these funds. Any funds unspent not incurred as of that date must revert to the State, which will then send them back to the U.S. Treasury.

Covid-19 related expenses dated back to March 1, 2020 are allowed.

5. Backpay

a. *Can we use these funds to backpay things we already paid for?*

Yes – ONLY IF you are not supplanting funds from another grant. It is a good idea to check with your auditor to make sure you are not supplanting if you want to backpay.

b. *What exact date in March should I use for back dating related expenditures?*

March 1<sup>st</sup>, 2020 – CARES Act funds can be used to reimburse non-profit agencies for expenses already incurred dating back to 3/1/2020, assuming expenses are directly related to COVID-19 and are eligible based on requirements set by the federal government.

*c. Can I use funds for services to be delivered after December 30, 2020?*

No – Encumbered and/or obligated funds as of December 30, 2020 may be allowed if the cost was incurred by December 30, 2020. Selected administrative expenses are allowed after Dec 30, 2020, such as: expenses incurred to comply with the Single Audit Act and reporting and recordkeeping requirements imposed by the Office of Inspector General ([See US Treasury Guidance](#)).

*d. Would our agency be able to backpay hazard pay for employees who worked during the pandemic but no longer work for the agency?*

No – hazard pay is allowed for current employees only.

6. Vehicles

*a. Can these funds be used to purchase, lease, or upgrade vehicles to transport clients?*

You must be able to clearly demonstrate that 1.) this is a new and unexpected cost, 2.) it isn't accounted for anywhere else, 3.) there are no other options to transport clients, AND 4.) the need for this transportation is directly related to COVID-19. You must be prepared to make this justification and explanation to the auditor.

*b. We put in our budget cost related to transportation. However, I have a question. We have clients without transportation currently displaced either living in shelter or with family in need of vehicles and we have an opportunity to purchase a used car for about \$2,000. Franklin County lacks public transportation. Would this purchase be an allowable cost under client emergency expenses budget for transportation using CARES ACT Funding?*

Generally, our understanding is the grant allows agency to purchase vehicles for the purpose of meeting the agency need and use to deliver services to their clients, not for an individual client use and ownership.

7. Direct support to clients

*a. Can these funds be used for tutors or educational support for children of clients who may be trying to attend virtual school from a shelter or hotel?*

Yes – as long as these expenses are directly tied to the COVID-19 crisis and are not supplanted from other grants.

*b. Can these funds be used for gas cards, food cards, utility bills, rent payments, cell phones, hotel rooms, etc.?*

Yes – if these expenses are incurred as a direct result of COVID-19, and agencies must be able to **clearly demonstrate** that monies are being spent as intended. If clients are unable to pay for these expenses because they were laid off due to COVID-19, that would be an allowable expense. Agencies should consider directly paying bills or buying gas cards in order to provide a paper trail of expenses rather than giving clients money directly. Cards or vouchers can be used to meet emergency or short-term victim needs such as: gasoline, groceries, clothing, cleaning supplies, toiletries, household supplies, etc., so long as the grantee is abiding by its established policy for internal controls around the distribution and use of these items (e.g., eligibility, allowable purchases).

- c. *Can we purchase and pay for furniture and storage shed for clients when some of the furniture will be used after December 30?*

Goods delivered in the covered period need not be used during the covered period in all cases. For example, the cost of a good that must be delivered in December in order to be available for use in January could be covered using payments from the Fund.

- d. *Can we purchase supplies such as food for clients in bulk if some of those will be used in January?*

The cost of goods purchased in bulk and delivered during the covered period may be covered using payments from the Fund if a portion of the goods is ordered for use in the covered period, the bulk purchase is consistent with the recipient's usual procurement policies and practices, and it is impractical to track and record when the items were used.

- e. *We put in our budget cost related to transportation. However, I have a question. We have clients without transportation currently displaced either living in shelter or with family in need of vehicles and we have an opportunity to purchase a used car for about \$2,000. Franklin County lacks public transportation. Would this purchase be an allowable cost under client emergency expenses budget for transportation using CARES ACT Funding?*

Generally, our understanding is the grant allows agency to purchase vehicles for the purpose of meeting the agency need and use to deliver services to their clients, not for an individual client use and ownership.

#### 8. Fundraising and fundraising replacement

- a. *Can these funds be used for bonuses that are usually funded by fundraising, but due to the pandemic, we weren't able to fundraise?*

No. Because the expense is not related to direct COVID-19 related costs or impacts, bonuses are not an allowable expense.

- b. *Can these funds be used for fundraising or to replace lost fundraising revenue?*

No. Because the funds are not being used to support survivors of domestic violence or sexual assault, this is not an allowable expense. Revenue replacement is not allowable.

#### 9. Services and Expenses beyond grant period

- a. *My payroll date for December is December 31<sup>st</sup>. Can I spend funds CARES Act funds until then?*

No, the date of December 30, 2020 is set by Session Law 2020-4. Only expenditures incurred during the period that begins on March 1, 2020, and ends on December 30, 2020, are eligible for funding from the CARES Act.

- b. *Is pre-payment for services that will be provided after December 30<sup>th</sup> allowed?*

No. Prepayment for goods or services is not allowed.

- c. *Are subscriptions such as Zoom for telehealth or meeting platforms that are purchased as annual subscriptions allowed since this is pre-paid for a service that an agency will begin using prior to Dec. 30, 2020 but continue using into 2021? The subscription will be paid for in 2020.*

If the entity can get a monthly subscription that expires on or close to December 30, rather than a 12-month subscription, it would be allowable, as usage into 2021 is not allowable, given that it can be tracked and recorded when the service is used.

- d. *Can we purchase and pay for furniture and storage shed for clients when some of the furniture will be used after December 30?*

Goods delivered in the covered period need not be used during the covered period in all cases. For example, the cost of a good that must be delivered in December in order to be available for use in January could be covered using payments from the Fund.

- e. *Can we purchase supplies such as food for clients in bulk if some of those will be used in January?*

The cost of goods purchased in bulk and delivered during the covered period may be covered using payments from the Fund if a portion of the goods is ordered for use in the covered period, the bulk purchase is consistent with the recipient's usual procurement policies and practices, and it is impractical to track and record when the items were used.

- f. *Can I use funds to pay for services to be delivered after December 30, 2020?*

No – Unspent funds as of December 30, 2020 may be allowed if the cost was incurred by December 30, 2020.

Selected administrative expenses are allowed after Dec 30, 2020, such as: expenses incurred to comply with the Single Audit Act and reporting and recordkeeping requirements imposed by the Office of Inspector General (See [US Treasury Guidance](#)).

## 10. Administrative costs

- a. *Can these funds be used for administrative costs, such as facilities operation and maintenance costs?*

No. Only indirect administrative costs that can be directly identified to the COVID-19 crisis and related activity are allowable. Payments from the Fund are not administered as part of a traditional grant program and provisions of the Uniform Guidance of 2 C.F.R. Part 200 that are applicable to indirect costs do not apply. **Recipients may not apply payments of indirect administrative costs** i.e. facilities or costs incurred for a common purpose benefitting more than one cost objective. Only indirect administrative costs that can be directly identified to the COVID-19 crisis and related activity is allowable.

- b. *Is there a cap on administrative expenses?*

Administrative expenses should not exceed 20% of the grant funds. Indirect administrative cost allocation or percentage of administrative costs are unallowable.



## 11. Thrift Stores

- a. *Can these funds be used to replace revenue lost from thrift stores or to upfit thrift stores?*  
These funds CANNOT be used to replace lost revenue. However, if you are upfitting the thrift store in order to make it safer during COVID-19, and it directly relates to your agency serving clients (i.e. in outreach or providing information), then that is allowable.

## 12. Subscriptions and Contracts

- c. *If we are purchasing a subscription or entering into a contract that runs over the grant period (i.e. Zoom annual contract or billboard yearly contract), is this allowed?*  
If these things are incurred due to COVID-19, are not included in other grant budgets, AND the service occurs and is paid for during the grant period, it is allowed. It is preferable that services only occur during the grant period. Consider discussing this with your auditor for clarification. You will be required to make this justification in an audit.
- d. *Can funds be used for contracts with vendors to promote availability of services during the pandemic such as billboards require 12 month contract? Although billboards will begin before 12.30.20, the requirement by the vendor may require for a 12 month contract which means the billboard will continue after the end of 2020. Is this considered pre-payment?*  
If the 12-month contract is required, it seems reasonable that this is allowable. The auditor will need to see documentation in the contract that a minimum 12 months is required. Exceptions to the guidance such as this should be reviewed by the State including a review of the contract showing the 12-month requirement.
- e. *Are subscriptions such as Zoom for telehealth or meeting platforms that are purchased as annual subscriptions allowed since this is pre-paid for a service that an agency will begin using prior to Dec. 30, 2020 but continue using into 2021? The subscription will be paid for in 2020.*  
If the entity can get a monthly subscription that expires on or close to December 30, rather than a 12-month subscription, it would be allowable, as usage into 2021 is not allowable, given that it can be tracked and recorded when the service is used.

## 13. Other (taxes, grant match requirements, etc.)

- a. *Is Sales tax an allowable expense?*  
No – Tax assistance is not allowed according to the U.S. Treasury Guidance.
- b. *I have heard from other CARES Act grant recipients that grant funds cannot be used to pay sales tax to PPE suppliers. If this is true, it could have major ramifications on our project since our organization, which is a 501(c)6, is not eligible to claim the state tax exemption and would have to pay for the sales tax.*  
Generally, sales tax is ineligible because the entity can ask for sales tax refund from NC Department of Revenue. This is likely the case for 501c3 organizations.

However sales tax may be an allowable expense for nonprofit organizations such as 501c6 organizations that cannot obtain sales tax refunds from NC DOR.

- c. *Can the funds be used to recover match requirements from other grants (i.e. 20% required match by GCC)?*

No – funds may only be used to cover costs NOT accounted for in your budget prior to March 1, 2020-December 30, 2020.

#### D. Auditing Questions

1. Can I pay for audit of CARES Act funding only after December 30<sup>th</sup>?

Yes. COVID-19 expenditures incurred between March 1, 2020 through December 30, 2020.\* **("Incurred" means that the service or item was performed or delivered.** There is allowance for **payment to be made after December 30, 2020**, if the cost was incurred before December 30, 2020.)

\*This date was set in the Federal legislation that created these funds. Any funds not incurred as of that date must revert to the State, which will then send them back to the U.S. Treasury.

However, Covid-19 related expenses dated back to March 1, 2020 are allowed.

2. Since this CARES funding is requiring a yellow book audit yet the money has to be spent by December 30, 2020, will it be ok if the CPA performs an audit of just the CARES money by December 30, 2020 which does not include other agency finances? This would be done to keep CARES money that has been budgeted for the audit requirement being spent in the time frame required. The agency's fiscal year will not end until June 30, 2021.

Yes, and it can be done after December 30, since certain administrative expenses such as single audit are exceptions to the general rule:

To the extent a cost is incurred by December 30, 2020, for an eligible use consistent with section 601 of the Social Security Act and Treasury's guidance, a necessary administrative compliance expense that relates to such underlying cost may be incurred after December 30, 2020. Such an expense would include, for example, expenses incurred to comply with the Single Audit Act and reporting and recordkeeping requirements imposed by the Office of Inspector General. A recipient with such necessary administrative expenses, such as an ongoing audit continuing past December 30, 2020, that relates to Fund expenditures incurred during the covered period, must report to the Treasury Office of Inspector General by the quarter ending September 2021 an estimate of the amount of such necessary administrative expenses.

3. Can the CPA be paid prior to December 30, 2020 and the work be conducted after December 30, 2020 per the contract?

Yes, Audit expenses are an exception allowed after Dec. 30

**\*\*COVID-19 expenditures incurred between March 1, 2020 through December 30, 2020.\***

("Funds must be spent by December 30, 2020. \*Incurred" means that the service or item was performed or delivered. There is allowance for payment to be made after December 30, 2020, if the cost was incurred before December 30, 2020.)

\*This date was set in the Federal legislation that created these funds. Any funds unspent not incurred as of that date must revert to the State, which will then send them back to the U.S. Treasury.

Covid-19 related expenses dated back to March 1, 2020 are allowed.

## E. Expense Reports and Other Reports and forms

### 1. What is the final deadline for Budget Transfer Requests?

The agency agrees to use the funds in the amounts allocated for the budget cost items set forth in the budget. Your agency may reallocate and/or redistribute items up to 20% in overall budget costs without the express written permission of CFWYI for this one-time fund. If your agency requires a budget transfer beyond 20%, you will need to submit an expenditure report beginning 30 days after receiving funds (Source: US Treasury).

### 2. I just noticed that the "Equipment" section of the report spreadsheet indicates we should list items of \$500 or more. Can you advise if this is correct or we should use the \$5,000 threshold as equipment? Usually with federal funds the threshold of an equipment purchase is actually \$10,000 or more.

Continue to report equipment purchased at a threshold of \$500 or more.

Continue to report inventory at a threshold of \$10,000 or more.

### 3. I know we have a monthly expense report due but is there also a monthly program/outcome related report?

The monthly reports will allow agencies to capture and report results. A final program results form will be on the website by Dec. 1st.

### 4. What do I do if my forms are not printing correctly?

Follow these steps:

1. Go to **Page Layout**
2. Change width and height to **Automatic**
3. Click on the arrow in the **bottom right corner of that box**
4. A box will pop up → Click on **Sheets**
5. There is a box at the top that says **Print Area:** change your area from A1:G100 to **A1:G124**
6. Go back and change width and height to **1 Page**
7. Check print preview if it is correct
8. Print!

### 5. What if I do not have enough cells to input employee expenses?

If more cells are needed for employee expenses, please email the service account. State the number of cells needed to complete the report. The cells will be added and emailed back to you.

### 6. Where do I submit my Expenditure Report?

Submit all reports onto Sharepoint within the State Grants folder. Within that folder is another folder labeled Cares Act.

7. If I am a dual agency, how many reports do I have to submit?  
If you are a dual agency, you will have to submit a report for DV and SA, every month.
8. What do I do if I need to do a BTR for more than 20%?  
A BTR form is posted on the website underneath the Expenditure Report form. Please email your forms to the Cares Act service account for approval. The deadline is **December 6, 2020**.
9. My monthly expense forms are not rolling over to the next month. Also, June and October employee expense lines are locked.  
We have made changes to the form and [uploaded another form](#) that has resolved this issue
10. What do I include on the INVENTORY section?  
Include items purchased that exceed \$10,000.

## F. Grant Application

1. How to apply?  
Agencies should [download the application](#) on the CFW website and submit it to [CFWHB1105CR\\_FUND@doa.nc.gov](mailto:CFWHB1105CR_FUND@doa.nc.gov).  
  
Application will only require brief description of the scope of work, budget and signatures verifying adherence to federal usage of funds. Applications will be due on September 30th, 2020.  
  
Upon return and approval of your application, programs will receive 100% of the funds. As with all state budgeted funds, dollars are working thru certification by OSBM (Office of State Budget Management). We anticipate an early October availability. Final report on expenditures and performance metrics will be due to DOA/CFWYI by January 30, 2021.
  - a. *Do dual agencies have to complete two applications?*  
Yes. They should complete one application for DV funding and one application for SA funding.
  - b. *On Attachment C, Section V: "Certification," who can sign as the "Recipient Fiscal Officer or Other Official?"*  
This would ideally be a Board Treasurer, CFO, or another official from your organization such as the Executive Director.
  - c. *What is the policy on budget adjustments after we submit our application?*  
You are allowed a fair amount of adjustment – up to 20% of your budget without approval required. However, it is a good idea to write some flexibility into your application and think in broad terms.

#### G. Grant Period

The grant period is March 1, 2020 through December 30, 2020. This means all funding must be spent by December 30, 2020.

#### H. Further Information and Assistance

If you have additional questions, please send them to [CFWHB1105CR\\_FUND@doa.nc.gov](mailto:CFWHB1105CR_FUND@doa.nc.gov)

Please consider working with Historically Underutilized Businesses when budgeting for this grant: [Transportation](#), [Website Services and Management](#), [Childcare Services](#), [Catering Services](#), [Language Translation Services](#), [Marketing Services](#).